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**From:**

**Sent:** Monday, June 13, 2011 11:58:01 AM

**To:**

**Cc:**

**Subject:** RE: TEFRA partner case

I would add that that the at risk provisions under section 465 are applied only at the partner level as held by the courts in Hambrose Leasing v. Commissioner, 99 T.C. 298 (1992) and Roberts v. Commissioner, 94 T.C. 853 (1990). So taxpayer's counsel statement that the schedule of adjustments only reflects partnership-level at risk would not be legally correct. He is correct that each partner's limitation is separately determined, but that was in fact accomplished by taxpayer signing Part II of the Form 870-LT. If taxpayer was not conceding partner-level determinations, he should not have signed Part II.